

18 DEC 1978

MEMORANDUM FOR: Director of Central Intelligence

FROM: Frederick P. Hitz
Legislative Counsel

SUBJECT: Fiscal Year 1981 Intelligence
Authorization Bill

1. Action requested: Your signature on the attached letter transmitting the draft Fiscal Year 1981 Intelligence Authorization Bill to the Director of the Office of Management and Budget.

2. Background: This will be the third specific annual authorization of appropriations for intelligence, and the process is becoming institutionalized. My Legislation Division has drafted the Bill, in consultation with concerned Agency components and the Intelligence Community Staff. The Intelligence Community was given the opportunity to propose material for inclusion in the combined CIA and Intelligence Community Legislative Program for the second session of the 96th Congress. The Authorization Bill must now be submitted to the Office of Management and Budget.

3. The Bill is essentially the same as the Fiscal Year 1980 Act (reference document), and does not require accompaniment by a detailed sectional analysis. We have attempted to clarify the meaning of Section 101(c) by substituting the word "prohibited" for the phrase "not otherwise authorized." The Section 503 provision authorizing the Central Intelligence Agency to accept gifts and bequests should not be controversial, although I would not be surprised if our committees add a reporting requirement.

4. Your transmittal letters to the Speaker of the House and the President of the Senate make reference to congressional action on unspecified separate pieces of pending legislation designed to safeguard intelligence capabilities. With our death gratuity legislation having developed a momentum of its own, it would seem advisable, at least for now, to continue

OL 9 5303

to pursue that legislation separately as well. Inclusion of the proposal in the Authorization Bill, moreover, could subject it to recoordination within the Administration.

Our Administration-approved and previously transmitted legislative proposal to clarify the Agency's firearms authority has not been included in the draft Authorization Bill for the same reason; there is nothing to be gained from giving new players at the Justice Department the opportunity to raise questions that could jeopardize the proposal's cleared status. I plan instead to have letters to the Chairmen and ranking Minority Members of the SSCI and HPSCI prepared for your signature next month. These letters will review the status of specific legislative items in the area of safeguarding intelligence capabilities (e.g., Protection of Identities and FOIA), and suggest use of the Authorization Bill for matters such as the firearms proposal.

4. Staff Position: Appropriate Agency components and elements of the Intelligence Community Staff have been consulted in connection with the draft Bill.

5. Recommendation: That you sign the attached letter to OMB Director McIntyre transmitting the Fiscal Year 1981 Intelligence Authorization Bill.

Signed - Frederick P. Hitz

Frederick P. Hitz

Attachment

Reference

SUBJECT: Fiscal Year Intelligence
Authorization Bill

Distribution:

1 - DCI
1 - DDCI
1 - ER
1 - [REDACTED] (OLC/RMS)
1 - Dan Silver (GC)

STATINTL

A scatter plot showing 10 data points forming a downward-opening parabola. The x-axis has 10 major tick marks labeled 1 through 10. The y-axis has 10 major tick marks labeled 1 through 10. The points are at (1,10), (2,9), (3,8), (4,7), (5,6), (6,5), (7,4), (8,3), (9,2), and (10,1). The point (1,10) is circled.

1 - OLC Subject
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Washington, D.C. 20505

OLC 79-3173/a

Honorable James T. McIntyre, Jr., Director
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. McIntyre:

In accordance with Office of Management and Budget Circular No. A-19, revised, I am submitting proposed legislation for your advice as to whether it is in accord with the program of the President. Enclosed are ten copies of a draft "Intelligence and Intelligence-Related Activities Authorization Act for Fiscal Year 1981." Also enclosed are draft letters of transmittal to the President of the Senate and the Speaker of the House of Representatives.

The Fiscal Year 1981 Intelligence Authorization Bill was identified as proposal number 96/2 - 3 in the proposed Central Intelligence Agency and Intelligence Community Legislative Program, which was forwarded to your office on 15 November 1979 as part of the consolidated National Foreign Intelligence Program budget. The draft Bill has been prepared in consultation with the Intelligence Community.

The draft Fiscal Year 1981 Intelligence Authorization Bill is substantively similar to the Fiscal Year 1980 Act (P.L. 96-100). Consistent with Section 7e of Circular No. A-19, the draft Bill contains a provision relating to compliance with Section 607 of P.L. 93-344, the Congressional Budget Act of 1974. The draft Bill also contains a self-explanatory technical provision which would authorize the Central Intelligence Agency to accept gifts and bequests.

I would be most appreciative of your assistance in securing prompt Administration clearance of this proposed

legislation, and in ensuring that resource allocations for fiscal year 1981 reflect the President's expressed determination to enhance the nation's intelligence capability.

Yours sincerely,

STANSFIELD TURNER

Enclosures

A BILL

To authorize appropriations for fiscal year 1981 for intelligence and intelligence-related activities of the United States Government, for the Intelligence Community Staff, for the Central Intelligence Agency Retirement and Disability System, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intelligence and Intelligence-Related Activities Authorization Act for Fiscal Year 1981".

TITLE I - INTELLIGENCE ACTIVITIES

Sec. 101. (a) Funds are hereby authorized to be appropriated for fiscal year 1981 for the conduct of the intelligence and intelligence-related activities of the following departments, agencies, and other elements of the United States Government:

- (1) The Central Intelligence Agency.
- (2) The Department of Defense.
- (3) The Defense Intelligence Agency.
- (4) The National Security Agency.
- (5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
- (6) The Department of State.
- (7) The Department of the Treasury.
- (8) The Department of Energy.
- (9) The Federal Bureau of Investigation.
- (10) The Drug Enforcement Administration.

(b) The amounts authorized to be appropriated under this Act, and the authorized personnel ceilings as of September 30, 1981, for the conduct of the intelligence and intelligence-related activities of the agencies listed in subsection (a) are those listed in the classified Schedule of Authorizations prepared by the committee of conference to accompany the conference report on the bill 96th Congress. That Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the Executive Branch.

(c) Nothing contained in this Act shall be deemed to constitute authority for the conduct of any intelligence activity which is prohibited by the Constitution or laws of the United States.

TITLE II - INTELLIGENCE COMMUNITY STAFF

Sec. 201. (a) There is authorized to be appropriated for the Intelligence Community Staff for fiscal year 1981 the sum of \$18,700,000.

(b)(1) The Intelligence Community Staff is authorized 245 full-time personnel as of September 30, 1981. Such personnel may be permanent employees of the Intelligence Community Staff or personnel detailed from other elements of the United States Government.

(2) During fiscal year 1981, personnel of the Intelligence Community Staff shall be selected so as to provide appropriate representation from elements of the United States Government engaged in intelligence and intelligence-related activities.

(3) During fiscal year 1981, any officer or employee of the United States or member of the Armed Forces who is detailed to the Intelligence Community Staff from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

(c) During fiscal year 1981, activities and personnel of the Intelligence Community Staff shall be subject to the provisions of the National Security Act of 1947 (50 U.S.C. 401 et seq.) and the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a-403j) in the same manner as activities and personnel of the Central Intelligence Agency.

TITLE III - CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

Sec. 301. There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1981 the sum of \$55,300,000.

TITLE IV - TECHNICAL PROVISIONS

Sec. 501. Appropriations authorized by this Act for salary, pay, retirement, and other benefits for federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such benefits authorized by law.

Sec. 502. There are authorized to be appropriated for fiscal year 1982 such sums as may be necessary for intelligence and intelligence-related activities of the United States Government, for the Intelligence Community Staff, and for the Central Intelligence Agency Retirement and Disability System.

Sec. 503. Section 3 of the Central Intelligence Agency Act of 1949, 50 U.S.C. 403c, is amended by adding at the end thereof the following new subsection: "(e) The Director is authorized to accept, hold, administer, and utilize for artistic or general employee or dependent welfare, educational, recreational or like purposes, gifts, bequests or devises of money, securities or other property of whatsoever character whenever the Director determines that it would be in the interest of the Agency to do so. Unless otherwise restricted by the terms of the gift, bequest or devise, the Director may sell or exchange, and invest or reinvest such property in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For purposes of Federal income, estate and gift taxes, gifts, bequests and devises accepted by the Director shall be deemed to be to or for the use of the United States. The Title of Section 3 of the Central Intelligence Agency Act of 1949, 50 U.S.C. 403c, is amended by adding after "PROCUREMENT" the following: ";AUTHORITY TO ACCEPT GIFTS, BEQUESTS AND DEVISES."

Washington, D.C. 20505

OLC 79-3173/b

Honorable Thomas P. O'Neill
Speaker of the House of
Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

This letter transmits for the consideration of the Congress a draft "Intelligence and Intelligence-Related Activities Authorization Act for Fiscal Year 1981."

Cooperative efforts by the Executive and Legislative Branches in the authorization process have been indicative of the strong bonds that the Administration and Congress have forged in the development of meaningful congressional participation in the oversight of our nation's intelligence apparatus. I am confident that for fiscal year 1981 the Congress will provide the resources needed to enhance the Intelligence Community's ability to monitor the military activities of our adversaries and to provide insights into the political, economic, and social forces which will shape world affairs in the 1980's.

The draft Intelligence Authorization Bill is substantively similar to the Fiscal Year 1980 Act (P.L. 96-100). Consistent with Administration policy, Title IV contains a technical provision relating to compliance with Section 607 of P.L. 93-344, the Congressional Budget Act of 1974. The draft Bill also contains a provision which would authorize the Central Intelligence Agency to accept gifts and bequests. This provision is designed to enable the Agency to receive artistic works, books, funds for employee recreation activities, memorabilia, and the like.

I am hopeful that the Congress will heed the President's call for increased efforts to guard against damage to our crucial intelligence sources and methods, and will move forward with several separate pieces of pending legislation designed to safeguard intelligence capabilities without impairing the rights of Americans or interfering with legitimate congressional oversight.

Early and favorable consideration of the draft "Intelligence and Intelligence-Related Activities Authorization Act for Fiscal Year 1981" would be greatly appreciated. The Office of Management and Budget has advised that enactment of this proposed legislation would be in accord with the program of the President.

Yours sincerely,

STANSFIELD TURNER

Washington, D.C. 20505

OLC 79-3173/c

Honorable Walter F. Mondale
President of the Senate
Washington, D.C. 20510

Dear Mr. President:

This letter transmits for the consideration of the Congress a draft "Intelligence and Intelligence-Related Activities Authorization Act for Fiscal Year 1981."

Cooperative efforts by the Executive and Legislative Branches in the authorization process have been indicative of the strong bonds that the Administration and Congress have forged in the development of meaningful congressional participation in the oversight of our nation's intelligence apparatus. I am confident that for fiscal year 1981 the Congress will provide the resources needed to enhance the Intelligence Community's ability to monitor the military activities of our adversaries and to provide insights into the political, economic, and social forces which will shape world affairs in the 1980's.

The draft Intelligence Authorization Bill is substantially similar to the Fiscal Year 1980 Act (P.L. 96-100). Consistent with Administration policy, Title IV contains a technical provision relating to compliance with Section 607 of P.L. 93-344, the Congressional Budget Act of 1974. The draft Bill also contains a provision which would authorize the Central Intelligence Agency to accept gifts and bequests. This provision is designed to enable the Agency to receive artistic works, books, funds for employee recreation activities, memorabilia, and the like.

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Early and favorable consideration of the draft "Intelligence and Intelligence-Related Activities Authorization Act for Fiscal Year 1981" would be greatly appreciated. The Office of Management and Budget has advised that enactment of this proposed legislation would be in accord with the program of the President.

Yours sincerely,

STANSFIELD TURNER

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Public Law 96-100
96th Congress

An Act

To authorize appropriations for fiscal year 1980 for intelligence and intelligence-related activities of the United States Government, for the Intelligence Community Staff, and for the Central Intelligence Agency Retirement and Disability System, to authorize supplemental appropriations for fiscal year 1979 for the intelligence and intelligence-related activities of the United States Government, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intelligence and Intelligence-Related Activities Authorization Act for Fiscal Year 1980".

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. (a) Funds are hereby authorized to be appropriated for fiscal year 1980 for the conduct of the intelligence and intelligence-related activities of the following departments, agencies, and other elements of the United States Government:

- (1) The Central Intelligence Agency.
- (2) The Department of Defense.
- (3) The Defense Intelligence Agency.
- (4) The National Security Agency.
- (5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
- (6) The Department of State.
- (7) The Department of the Treasury.
- (8) The Department of Energy.
- (9) The Federal Bureau of Investigation.
- (10) The Drug Enforcement Administration.

(b) The amounts authorized to be appropriated under this Act, and the authorized personnel ceilings as of September 30, 1980, for the conduct of the intelligence and intelligence-related activities of the agencies listed in subsection (a) are those listed in the classified Schedule of Authorizations prepared by the committee of conference to accompany the conference report on the bill S. 975, 96th Congress. That Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the executive branch.

(c) Nothing contained in this Act shall be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or laws of the United States.

(d) In addition to the amounts authorized to be appropriated under subsection (a)(9), there is authorized to be appropriated for fiscal year 1980 the sum of \$12,100,000 for the conduct of the activities of the Federal Bureau of Investigation to counter terrorism in the United States.

Nov. 2, 1979
[S. 975]

Intelligence and
Intelligence-
Related
Activities
Authorization
Act for Fiscal
Year 1980.

Classified
Schedule of
Authorizations.

FBI, funds to
counter
terrorism in U.S.

TITLE II—INTELLIGENCE COMMUNITY STAFF

SEC. 201. (a) There is authorized to be appropriated for the Intelligence Community Staff for fiscal year 1980 the sum of \$11,500,000.

(b)(1) The Intelligence Community Staff is authorized 245 full-time personnel as of September 30, 1980. Such personnel may be permanent employees of the Intelligence Community Staff or personnel detailed from other elements of the United States Government.

(2) During fiscal year 1980, personnel of the Intelligence Community Staff shall be selected so as to provide appropriate representation from elements of the United States Government engaged in intelligence and intelligence-related activities.

(3) During fiscal year 1980, any officer or employee of the United States or member of the Armed Forces who is detailed to the Intelligence Community Staff from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

(c) During fiscal year 1980, activities and personnel of the Intelligence Community Staff shall be subject to the provisions of the National Security Act of 1947 (50 U.S.C. 401 et seq.) and the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a-403j) in the same manner as activities and personnel of the Central Intelligence Agency.

SEC. 202. Effective October 1, 1979, section 201 of the Intelligence and Intelligence-Related Activities Authorization Act for Fiscal Year 1979 (Public Law 95-370; 92 Stat. 626) is amended—

- (1) by striking out the third sentence of subsection (b); and
- (2) by striking out subsection (c).

TITLE III—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 301. There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1980 the sum of \$51,600,000.

TITLE IV—SUPPLEMENTAL AUTHORIZATION, FISCAL YEAR 1979

SEC. 401. In addition to the funds authorized to be appropriated under title I of the Intelligence and Intelligence-Related Activities Authorization Act for Fiscal Year 1979 (Public Law 95-370; 92 Stat. 626), funds are hereby authorized to be appropriated for fiscal year 1979 for the conduct of intelligence and intelligence-related activities of the United States Government in the amounts listed in the classified Schedule of Authorizations described in section 101(b).

TITLE V—TECHNICAL PROVISIONS

SEC. 501. Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such benefits authorized by law.

SEC. 502. Section 5924(4)(B) of title 5, United States Code, relating to payment of travel expenses to and from schools in the United States of dependents of certain employees serving overseas, is amended by

PUBLIC LAW 96-100—NOV. 2, 1979

93 STAT. 735

striking out "or the United States Information Agency," and inserting in lieu thereof the following: "the International Communication Agency, the Central Intelligence Agency, or the National Security Agency".

Approved November 2, 1979.

LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 96-127, pt. 1, accompanying H.R. 3821 (Comm. on Intelligence), No. 96-127, pt. 2, accompanying H.R. 3821 (Comm. on Armed Services) and No. 96-512 (Comm. of Conference).

SENATE REPORTS: No. 96-71 (Comm. on Intelligence) and No. 96-206 (Comm. on Armed Services).

CONGRESSIONAL RECORD, Vol. 125 (1979):

June 20, considered and passed Senate.

July 9, 10, H.R. 3821 considered and passed House; passage vacated and S. 975, amended, passed in lieu.

Oct. 17, Senate agreed to conference report.

Oct. 24, House agreed to conference report.

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